EXTERNAL EDITION

LYTICA NEWSLETTER — NOVEMBER 2026

Walk into your next negotiation with Neo AI

Preparing for a supplier meeting? Open Neo AI in Spend Benchmarking and build your case with your spend data and market evidence. **Try the prompt on page 03 →**

"Help me prepare for my next negotiation with [manufacturer]. How much do we spend with them, where do we have savings opportunities, and how should I open the conversation?"

Neo

ANNUAL SPEND
$3.41M

TARGET SAVINGS
$471K
13.8% of spend

YOUR LEVERAGE
Strong

SUPPLIER INTELLIGENCE

38.5%
gross margin

26.4%
operating margin

~115
inventory days

Profitable and price-disciplined, not financially distressed. Margins and inventory support a discussion, so push for selective alignment, not blanket cuts.

SUGGESTED OPENING

"Our annual business with you is approximately **$3.41 million**, and independent benchmarking shows **$471,254** in pricing-improvement potential. We recognize your focus on profitable growth and the different economics of specialty versus standard products, so we'd like to start with the **five capacitor and resistor lines** that represent $142,525 of it and evaluate each gap on its own merits. Please provide your best revised pricing for these lines, including effective dates and quantity conditions."

© 2026 Lytica, Inc. All rights reserved. | Lytica Newsletter | November 2026

> **It is a capital mistake to theorize before one has data.**
>
> — SHERLOCK HOLMES, ARTHUR CONAN DOYLE

THIS MONTH

Intelligence you can stand behind

This month, put Neo AI to work before your next supplier meeting, and see how new BOM Risk Signals bring supply risk into component selection. Plus, catch the DSX launch webinar replay, close eight common gaps in supplier risk monitoring, and review October's market shifts.

In this issue

01 Neo AI: build a stronger case, on your terms — 03
A prompt to try before your next supplier meeting, and where to find Neo.

02 New product: BOM Risk Signals bring risk into component selection — 04
Assess supply risk on a new bill of materials, even before pricing is available.

03 Webinar replay: The End of Sourcing Blind Spots — 05
How DSX connects intelligence, guided workflows, and AI agents for 2027.

04 8 gaps in supplier risk monitoring — 06
Where generic risk tools miss early warning signs, and what good looks like instead.

05 October State of the Market — 07
Headline inflation cools, but Memory lead times surge 57.3%.

© 2026 Lytica, Inc. All rights reserved.

01 · NEO AI V3.0.0

Build a stronger case for your next supplier meeting

Neo AI turns your spend data and market evidence into a negotiation plan

TRY THIS PROMPT

"Help me prepare for my next negotiation with [manufacturer]. How much do we spend with them, where do we have savings opportunities, and how should I open the conversation?"

YOU

1

Where your leverage is
Neo separates total spend from spend tied to savings opportunities.

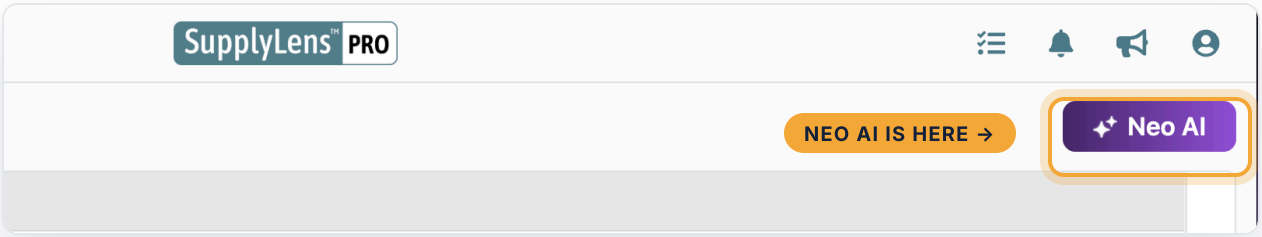
2

The supplier's position
Manufacturer Business Insights plus 500+ approved sources, such as earnings releases.

3

How to open
A full opening statement and replies to likely supplier pushback.

Find Neo AI in any Spend Benchmarking view



Opens full page
Quick starts for Where to Focus, Get Battlecard, and Start Negotiation.

Runs on your terms
In Unlocking Leverage, select Generate with Neo AI when you want an MPN-level recommendation.

Your data stays yours
Neo uses your data only when you engage, and never to train foundation models.

HAVE A SUPPLIER MEETING COMING UP?

Run the prompt with that supplier before you go in.

Try Neo AI →

Release notes

 · © 2026 Lytica, Inc. All rights reserved.

02 · PRODUCT SOURCING & NPI | NEW PRODUCT

Bring risk into component selection

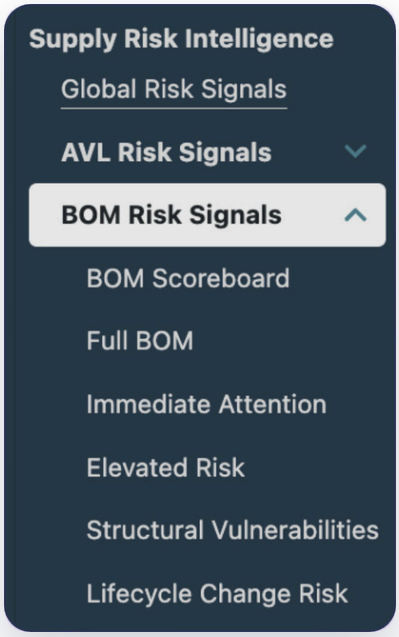
BOM Risk Signals for engineering and NPI teams, with no spend data required

Before you commit to a component on a new design, you can now assess its supply risk in DSX. **BOM Risk Signals** lets engineering and sourcing teams evaluate a new bill of materials even before negotiated or historical pricing is available.

BOM RISK SIGNALS · NEW | AVL RISK SIGNALS

Design Select components → **NPI** Validate the BOM → **Production** Start purchasing → **Ongoing sourcing** Manage what you buy

Risk coverage from design and NPI through ongoing sourcing



Without spend data, you still get

Global market pressure signals
70+ predictive signals across supply, demand, and capacity.

Prioritized risk on your BOM
A scoreboard plus Immediate Attention, Elevated Risk, Structural Vulnerabilities, and Lifecycle Change Risk views.

Clear handling of missing spend
Spend- and price-dependent metrics are marked unavailable, never treated as $0.

Rik AI risk insights
Risk guidance without financial conclusions.

1. **Download** the BOM template from the Upload section
2. **Complete** it with the parts you want to assess
3. **Upload** it and review results in BOM Risk Signals

A SEPARATE PRODUCT

Interested in BOM Risk Signals?

Licensed separately. Already using AVL Risk Signals? Extend risk coverage from design through ongoing sourcing.

Ask your Customer Success Manager about access →

Release notes →

 · © 2026 Lytica, Inc. All rights reserved.

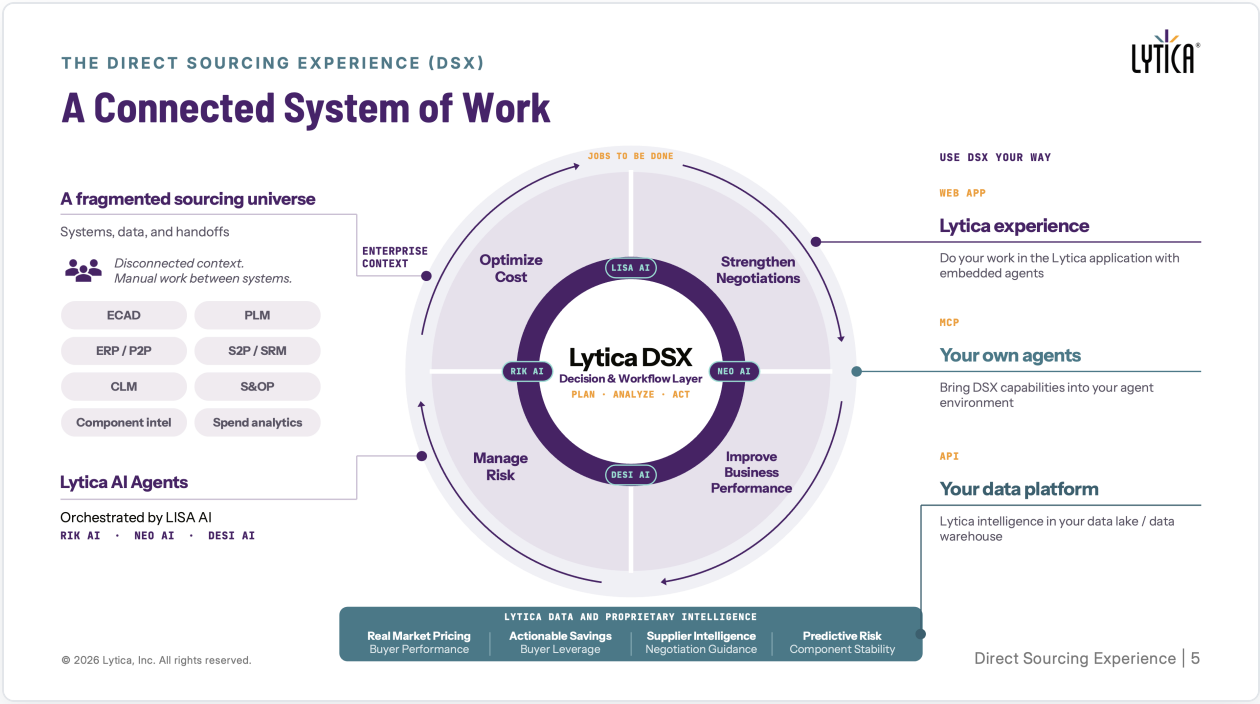
03 · ON-DEMAND WEBINAR

NOV
17
Watch the replay

The End of Sourcing Blind Spots

How DSX Transforms Electronic Component Procurement for 2027

Watch Shawn Bradley and Gerry Abbey introduce the Lytica Direct Sourcing Experience (DSX), a system of work for electronics sourcing. DSX brings proprietary market intelligence, guided workflows, and specialized AI agents into the work teams do every day, from component selection and supplier negotiation to production and ongoing supply management.



The bigger DSX story

Why legacy procurement approaches fall short, and how an agentic system of work built on proprietary transactional data changes the game.

The Lytica difference

24/7 intelligence, setup in under 24 hours, 90 days of risk visibility, and 15%+ cost savings.

The 2027 playbook

Strategies to mitigate supply risk, improve business performance, and make 2027 your most profitable, efficient year yet.

SPEAKERS

Shawn Bradley in
VP, Product Expansion

Gerry Abbey in
Sr. Director, Product Marketing

Watch the webinar replay →

 · © 2026 Lytica, Inc. All rights reserved.

04 · FROM THE BLOG

8 gaps in supplier risk monitoring that leave procurement teams exposed

Why many risk platforms see problems only after they become visible

Many supplier risk tools flag a shortage, lead time extension, or price increase only after it happens, when the window to respond has already narrowed. The issue is what they measure: individual parts and a buyer's own history, rather than the manufacturers behind those parts and the market shaping their behavior.

	THE GAP	WHY IT HAPPENS	WHAT GOOD LOOKS LIKE
1	**Relies on self-reported supplier data**	Dashboards are populated from what vendors disclose	Independently verified market data
2	**Scores parts, not manufacturers**	Tools track components one at a time	Manufacturer-level concentration tracked alongside part risk
3	**Skips manufacturer due diligence**	Financial and operational stability sits outside most data sets	Financial and operational stability indicators
4	**Treats single-sourcing as static**	A flag gets set once and rarely revisited	Single-sourcing scored as an evolving risk
5	**Misses pricing behavior shifts**	Pricing lives in a separate system from risk scoring	Pricing behavior tracked as an early warning signal
6	**Suggests unvalidated alternates**	Substitutes pulled from a parts database, not live market data	Alternates checked against current availability and pricing
7	**Delivers periodic snapshots**	Risk reviewed on a schedule instead of continuously	Continuously updated risk intelligence
8	**Assesses risk in isolation**	Scoring draws only on one buyer's own history	Behavior benchmarked against broader market activity

WHAT CLOSING THESE GAPS LOOKS LIKE

Look beyond supplier-reported information to the manufacturers behind your parts. Track manufacturer-level concentration and pricing behavior, benchmark against the broader market, and keep risk assessments current as conditions change. SupplyLens™ Pro draws on buyer-paid transaction data across more than $550 billion in spend and over 100 million verified parts.

Read the full article →

 · © 2026 Lytica, Inc. All rights reserved.

05 · MARKET INTELLIGENCE

October State of the Market

Headline inflation cools, but Memory lead times surge

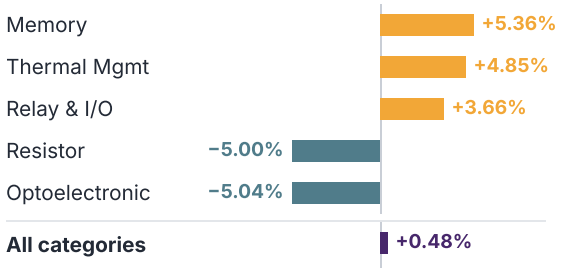
+0.48%
Price index, MoM
Down from +2.98%

+1.92%
Lead time growth, MoM
vs. +1.89%

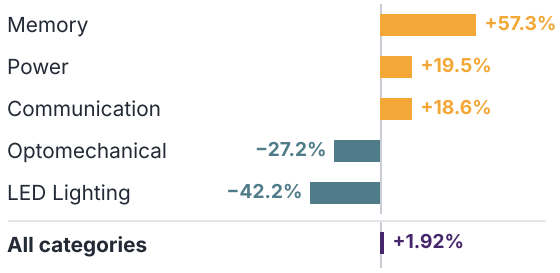
95.0%
Stock availability
Battery at 71.5%

+57.3%
Memory lead time
Even with 96.5% availability

Largest price moves, October



Largest lead time moves, October



Memory is October's clearest warning

Price rose 5.36% and lead time extended 57.3% while availability stayed at 96.5%. That points to replenishment pressure, not an empty shelf. Current stock is not proof of future coverage.

WHAT THIS MEANS FOR YOUR SOURCING TEAM

Act this month

Memory: validate factory lead times and forward commitments. **Battery:** check inventory and alternates. **Power, Communication, Processor:** secure Q4/Q1 demand.

Monitor: 30–60 days

Thermal Management and **Wire & Cable:** revalidate pricing where AI infrastructure or copper exposure matters.

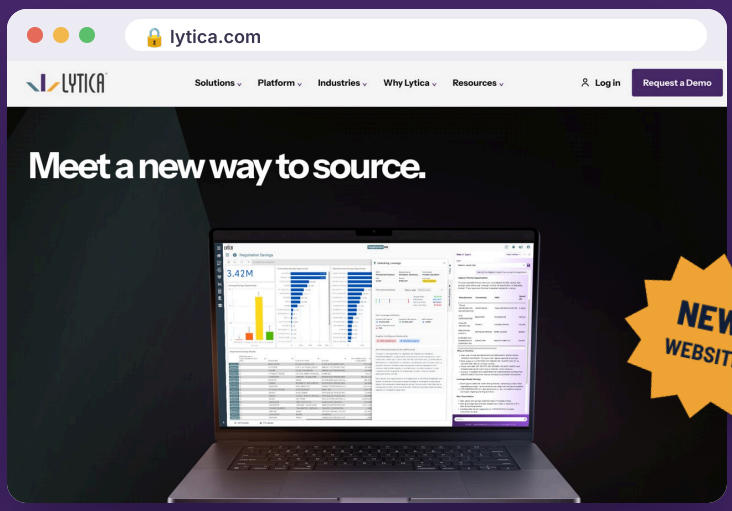
Keep watching

Optoelectronic, Resistor, Power Discrete: September's spikes reversed, so check MPN-level direction.

Read the full October report →

Subscribe to monthly reports →

 · © 2026 Lytica, Inc. All rights reserved.



A new way to explore
lytica.com

Stay informed.
Source smarter.

Get monthly market insights, sourcing strategies, product updates, and practical guidance for navigating the electronic components supply chain.

> Questions about anything in this issue? Email **sales@lytica.com**.

Subscribe

Scan the code or visit
lytica.com/resources/resource-hub

Lytica Inc. · 720-555 Legget Drive, Tower A, Ottawa, Ontario K2K 2X3, Canada · lytica.com
© 2026 Lytica, Inc. All rights reserved.